GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:181
ANSWERED ON:25.04.2016
Boosting Exports
Khadse Smt. Raksha Nikhil

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the total number of meetings conducted by the council for Trade Development and Promotion formed last year with the aim to involve States in boosting country''s exports;
(b) whether the said council has taken corrective steps to improve the exports which shows negative zone for the last 12 months and if so, the details thereof;
(c) whether the Government has deliberated on the relevant infrastructure to promote trade and identify impediments that are affecting exports; and
(d) if so, the details thereof along with the steps the Government is planning to improve the exports?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a) The first meeting of the "Council for Trade Development and Promotion" after its constitution was convened on 08.01.2016.

(b) The fall in exports has been due to various external factors including (i) global slowdown, which has impacted both the Global trade and India's trade adversely (ii) a significant slowdown in the Chinese Economy, (iii) a moderate but uncertain recovery in the US Economy, which is one of our large export markets and (iv) the sharp fall in Crude and Petroleum product prices.
The Council is a platform for interaction with the State Governments primarily with the objective of seeking their views on the trade policy, to apprise them about international developments affecting India's trade potential and to exhort them to promote an export enabling environment.
(c& d) Yes, the State Governments have been requested to utilize the funds made available to them as a result of the increased devolution under the 14th Finance Commission award, to address the infrastructural gaps and also to avail the various schemes of Government of India to promote export infrastructure development.

The Government has also taken the following measures in the recent past to promote exports:

(i) The Merchandise Exports from India Scheme (MEIS) was introduced in the Foreign Trade Policy (FTP) 2015-20 on April 1, 2015. At the time of introduction of MEIS on April 1, 2015, the scheme covered 4914 tariff lines at 8 digit level. Countries of the globe were grouped into 3 market categories (Country Group A, Country Group B & Country Group C) for grant of incentives under MEIS. Thereafter, 110 new Tariff Lines at 8 digit level were added under the scheme. The rates/country coverage for 2228 lines at 8 digit level were enhanced. As on date, 5012 Tariff Lines at 8 digit level are eligible for rewards under MEIS.

(ii) The Government has introduced the Interest Equalization Scheme on Pre & Post Shipment Rupee Export Credit with effect from 1.4.2015. The scheme is available to all exports under 416 tariff lines [at ITC (HS) code of 4 digit] and exports made by Micro, Small & Medium Enterprises (MSMEs) across all ITC (HS) codes.

(iii) In addition the Government continues to provide the facility of access to duty free raw materials and capital goods for exports through schemes like Advance Authorization, Duty Free Import Authorization (DFIA), Export Promotion Capital Goods (EPCG) and drawback/refund of duties.

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